

August 31, 2012

Mr. John Anderson
Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

**Re: In the Matter of Cheniere Marketing, LLC
FE Docket No. 12-99-LNG
Application For Long-Term Authorization to Export Liquefied Natural
Gas to Free Trade Countries**

Dear Mr. Anderson:

Enclosed for filing on behalf of Cheniere Marketing, LLC (“CMI”), please find CMI’s application for long-term, multi-contract authorization to engage in exports of domestically produced liquefied natural gas (“LNG”) in an amount up to 782 million MMBtu per year, which is equivalent to approximately 767 billion standard cubic feet of natural gas per year.¹ CMI seeks authorization for a 25-year term, commencing on the earlier of the date of first export or ten years from the date the requested authorization is granted, to export LNG to any nation that currently has or develops the capacity to import LNG and with which the United States currently has, or in the future enters into, a Free Trade Agreement requiring the national treatment for trade in natural gas and LNG.

Should you have any questions about the foregoing, please feel free to contact the undersigned at (212) 318-3009.

Respectfully submitted,

/s/ Lisa M. Tonery
Lisa M. Tonery
Tania S. Perez
Attorneys for
Cheniere Marketing, LLC

¹ A check in the amount of \$50.00 is provided as the filing fee stipulated by 10 C.F.R. § 590.207 (2012).

RECEIVED

By Docket Room at 12:28 pm, Aug 31, 2012

**UNITED STATES OF AMERICA
BEFORE THE DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY**

In The Matter Of:

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Docket No. 12-99-LNG

CHENIERE MARKETING, LLC

**APPLICATION FOR LONG-TERM AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS
TO FREE TRADE AGREEMENT COUNTRIES**

Pursuant to Section 3 of the Natural Gas Act (“NGA”)¹ and Part 590 of the Department of Energy’s (“DOE”) regulations,² Cheniere Marketing, LLC (“CMI”) hereby requests that DOE, Office of Fossil Energy (“FE”), grant long-term, multi-contract authorization for CMI to engage in exports of domestically produced liquefied natural gas (“LNG”) in an amount up to 782 million MMBtu per year,³ which is equivalent to approximately 767 billion standard cubic feet (“Bcf”) of natural gas per year,⁴ for a 25-year period, commencing the earlier of the date of first export or ten years from the date of issuance of the authorization requested herein. CMI is seeking authorization to export LNG from the proposed Corpus Christi Liquefaction Project (“CCL Project”) presently under development by its affiliates, Corpus Christi Liquefaction, LLC (“CCL”) and Cheniere Corpus Christi Pipeline, L.P. (“CCP”), to any nation that currently has or develops the capacity to import LNG and with which the United States currently has, or in the

¹ 15 U.S.C. § 717b (2006).

² 10 C.F.R. Part 590 (2012).

³ 782 million MMBtu is equivalent to the planned peak production rate of the export facilities of approximately 15 million tonnes per annum (“mtpa”) of LNG, including a margin for excess production capacity. The authorization is requested in terms of MMBtu per year to maintain consistency with industry convention for the denomination of quantities in LNG export contracts, which are denominated in MMBtu per year.

⁴ Conversion based on an assumed higher heating value of exported LNG equal to 1,020 Btu per standard cubic foot.

future enters into, a Free Trade Agreement (“FTA”) requiring the national treatment for trade in natural gas and LNG.⁵

Concurrent with this application, CMI separately is filing with DOE/FE an application for long-term, multi-contract authorization to engage in exports of LNG in an amount up to 782 million MMBtu per year, to any country with which the U.S. does not now or in the future have an FTA requiring the national treatment for trade in natural gas and LNG that has, or in the future develops, the capacity to import LNG and with which trade is not prohibited by U.S. law or policy.⁶

Pursuant to the Energy Policy Act of 1992, which amended Section 3 of the NGA, applications, such as this one, that seek authorization to export LNG to nations with which the U.S. has an FTA are deemed to be in the public interest and must be granted without modification or delay.⁷

In support of its application, CMI states as follows:

I.
COMPANY INFORMATION

The exact legal name of CMI is Cheniere Marketing, LLC. CMI has its principal place of business in Houston, Texas, and is an indirect subsidiary of Cheniere Energy, Inc. (“Cheniere Energy”). CMI is affiliated with the developers of the CCL Project. Cheniere Energy is a Delaware corporation with its primary place of business in Houston, Texas. Cheniere Energy is

⁵ Currently, the countries that have such FTAs with the United States include: Australia, Bahrain, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Chile, Morocco, Canada, Mexico, Oman, Peru, Singapore, Republic of Korea and Jordan.

⁶ CMI anticipates exporting up to a total of 15 mtpa on an annual basis from the CCL Project.

⁷ See 15 U.S.C. §717b (2006). See also *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2833 (Sept. 7, 2010); *Jordan Cove Energy Project, L.P.*, DOE/FE Order No. 3041 (Dec. 7, 2011); *Carib Energy (USA) LLC*, DOE/FE Order No. 2993 (July 27, 2011).

a developer of LNG terminals and natural gas pipelines on the Gulf Coast, including the CCL Project. CMI is authorized to do business in the States of Texas and Louisiana.

II. AUTHORIZATION REQUEST

CMI requests long-term, multi-contract authorization to export an amount up to 782 million MMBtu of LNG per year by vessel from the CCL Project to any nation with which the U.S. currently has, or in the future enters into, an FTA requiring the national treatment for trade in natural gas and LNG, for a 25-year term. CMI requests that such authorization commence on the earlier of the date of first export or ten years from the date the requested authorization is granted.

CMI has not yet entered into any long-term gas supply or long-term export contracts in conjunction with the LNG export authorization requested herein. CMI currently is engaged in commercial discussions with CCL to obtain all the available liquefaction capacity at the CCL Project. Either CMI or the developers of the CCL Project will bear the responsibility for sourcing gas supplies for delivery to the CCL Project. CCL will commence negotiations with CCP for transportation capacity on the 23-mile-long pipeline to be constructed as part of the CCL Project (“Pipeline”) once commercial discussions between CCL and CMI progress. CMI will file any executed long-term gas supply or long-term export contracts with DOE/FE as required.

CMI proposes to source natural gas to be used as feedstock for LNG production at the CCL Project from the interstate and intrastate grid at points of interconnection with other pipelines and points of liquidity both upstream and downstream of the Pipeline. In this regard, it is anticipated that the CCL Project will be connected to multiple interstate and Texas intrastate pipelines that will enable CMI to purchase natural gas from multiple conventional and

unconventional basins across the region, state, and from virtually anywhere in the nation. This supply can be sourced in large volumes in the spot market, or pursued under long-term arrangements.

CMI is requesting this authorization in order to act on its own behalf and in order to act on behalf of or as agent for third parties. CMI will comply with all DOE/FE requirements for exporters and agents, including the registration requirements as first established in *Freeport LNG Development, L.P.*, DOE/FE Order No. 2913 and most recently set forth in *Excelsior Liquefaction Solutions I, LLC*, DOE/FE Order No. 3128 (2012).⁸ Granting CMI's request for long-term, multi-contract export authorization is consistent with DOE/FE's grant of similar applications.⁹

Pursuant to the Energy Policy Act of 1992, applications for authorization to export natural gas and LNG to nations with which an FTA is in effect requiring the national treatment for trade in natural gas and LNG are deemed to be in the public interest and must be granted without modification or delay. DOE/FE has consistently found that in light of this statutory obligation there is no need for it to engage in an analysis of factors affecting the public interest in acting on such applications. In this regard, in *Jordan Cove Energy Project, L.P.*, DOE/FE Order No. 3041 (Dec. 7, 2011), DOE/FE noted that its authority under NGA Section 3(c), as amended by the Energy Policy Act of 1992, is limited to two areas: "(1) to ensure that applications are filed with sufficient information to confirm that the applicant is engaged in a meaningful (*i.e.*,

⁸ *Freeport LNG Development, L.P., Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Freeport LNG Terminal to Free Trade Nations*, FE Docket No. 10-160-LNG, DOE/FE Order No. 2913 (Feb. 10, 2011); *Errata Notice Correcting Footnote 9 in Order 2913 Issued 2/10/2009* (Feb. 17, 2011); *Excelsior Liquefaction Solutions I, LLC*, FE Docket No. 12-61-LNG, DOE/FE Order No. 3128 (2012).

⁹ *See, e.g., Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2833 (Sept. 7, 2010); *Carib Energy (USA) LLC*, DOE/FE Order No. 2993 (July 27, 2011).

not frivolous) effort to undertake natural gas export or import activities, and (2) to provide in any order granting a section 3(c) application that the applicant will report its export or import activities in sufficient detail to enable DOE to monitor import and export activities.”¹⁰ Accordingly, CMI is not submitting a detailed public interest analysis in support of this application, but nonetheless notes that it is evident from the current supply/demand balance of natural gas in the U.S. that its request for authorization to export domestic natural gas production from the CCL Project is in the public interest.

III. **APPLICANT CONTACT INFORMATION**

All correspondence and communications concerning this application, including all service of pleadings and notices, should be directed to the following persons:¹¹

Davis Thames
Cheniere Marketing, LLC
700 Milam Street, Suite 800
Houston, TX 77002
(713) 375-5000 (phone)
(713) 375-6000 (fax)
davis.thames@cheniere.com

Patricia Outtrim
Cheniere Energy, Inc.
700 Milam Street, Suite 800
Houston, TX 77002
(713) 375-5000 (phone)
(713) 375-6000 (fax)
pat.outtrim@cheniere.com

Lisa M. Tonery
Tania S. Perez
Fulbright & Jaworski L.L.P
666 Fifth Avenue
New York, New York 10103
(212) 318-3009 (phone)
(212) 318-3400 (fax)
ltonery@fulbright.com
tperez@fulbright.com

¹⁰ *Jordan Cove Energy Project, L.P.*, DOE/FE Order No. 3041 at 8-9 (Dec. 7, 2011).

¹¹ CMI requests waiver of Section 590.202(a) of DOE’s regulations, 10 C.F.R. § 590.202(a), to the extent necessary to include outside counsel on the official service list in this proceeding.

Pursuant to Section 590.103(a) of the DOE regulations, 10 C.F.R. §590.103(a), CMI hereby certifies that the persons listed above and the undersigned are the duly authorized representatives of CMI.

IV.
REPORT CONTACT (MONTHLY REPORTS) INFORMATION

The report contact is as follows:

Patricia Outtrim, V.P. Government Affairs
Cheniere Energy, Inc.
700 Milam Street, Suite 800
Houston, TX 77002
(713) 375-0212 (phone)
(713) 375-6000 (fax)
pat.outtrim@cheniere.com

V.
MISCELLANEOUS

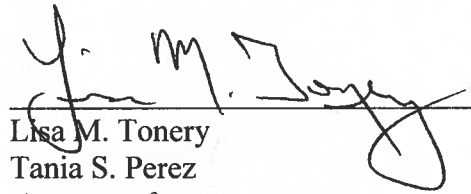
CMI requests secondary distribution of the order by email. DOE/FE should communicate with CMI by email, telephone and fax.

The \$50.00 application fee is submitted herewith along with a signed Opinion of Counsel.

VI.
CONCLUSION

For the foregoing reasons, CMI respectfully requests that DOE/FE grant it long-term, multi-contract authorization to export an amount up to 782 million MMBtu of LNG per year, which is equivalent to approximately 767 Bcf of natural gas per year, by vessel from the CCL Project to any nation with which the United States currently has, or in the future enters into, an FTA requiring the national treatment for trade in natural gas and LNG, for a 25-year term. CMI requests that such authorization commence on the earlier of the date of first export or ten years from the date the requested authorization is granted. CMI is requesting this authorization in order to act on its own behalf and in order to act on behalf of or as agent for third parties.

Respectfully submitted,



Lisa M. Tonery
Tania S. Perez
Attorneys for
Cheniere Marketing, LLC

Fulbright & Jaworski L.L.P.
666 Fifth Avenue
New York, New York 10103
(212) 318-3009 (phone)
(212) 318-3400 (fax)
ltonery@fulbright.com
tperez@fulbright.com


Dated: August 31, 2012

VERIFICATION

State of Texas)

County of Harris)

BEFORE ME, the undersigned authority, on this day personally appeared Davis Thames, who, having been by me first duly sworn, on oath says that he is the President for Cheniere Marketing, LLC and is duly authorized to make this Verification; that he has read the foregoing instrument and that the facts therein stated are true and correct to the best of his knowledge, information and belief.

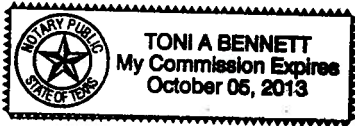
ccc 
Davis Thames

SWORN TO AND SUBSCRIBED before me on the 29th day of August, 2012.

Toni A. Bennett
Name: Toni A. Bennett

Title: Notary Public

My Commission expires:





Cheniere Energy, Inc.
700 Milam Street, Suite 800
Houston, Texas 77002
phone: 713.375.5000
fax: 713.375.6000

August 31, 2012

Office of Fuel Programs
Fossil Energy, U.S. Department of Energy
Docket Room 3F-056, FE50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 10585

Re: In the Matter of **Cheniere Marketing, LLC**
FE Docket No. 12-__-LNG
Application For Long-Term Authorization to Export LNG to Free Trade Nations
Opinion of Counsel

Dear Sir or Madam:

This opinion of counsel is provided in accordance with the requirements of Section 590.202(c) of the U.S. Department of Energy's regulations, 10 C.F.R. § 590.202(c) (2012). Cheniere Marketing, LLC ("CMI") seeks authorization to export liquefied natural gas ("LNG") from the proposed Corpus Christi Liquefaction, LLC project presently under development near Corpus Christi, Texas, to any nation that currently has or develops the capacity to import LNG and with which the United States currently has, or in the future enters into, a free trade agreement requiring the national treatment for trade in natural gas and LNG.

I have examined CMI's Limited Liability Company Agreement and other authorities as necessary, and have concluded that the proposed exportation of domestically-produced LNG is within CMI's corporate powers. Further, CMI is authorized to do business in Louisiana and Texas and to engage in foreign commerce.

Respectfully submitted,

A handwritten signature in blue ink that reads "Cara Carlson". The signature is written in a cursive, flowing style.

By: Cara E. Carlson, *Assistant General
Counsel and Corporate Secretary*
Cheniere Energy, Inc.
700 Milam Street, Suite 800
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Phone: (713) 375-5000
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